PLUS
BUSINESS
Municipally owned cable systems

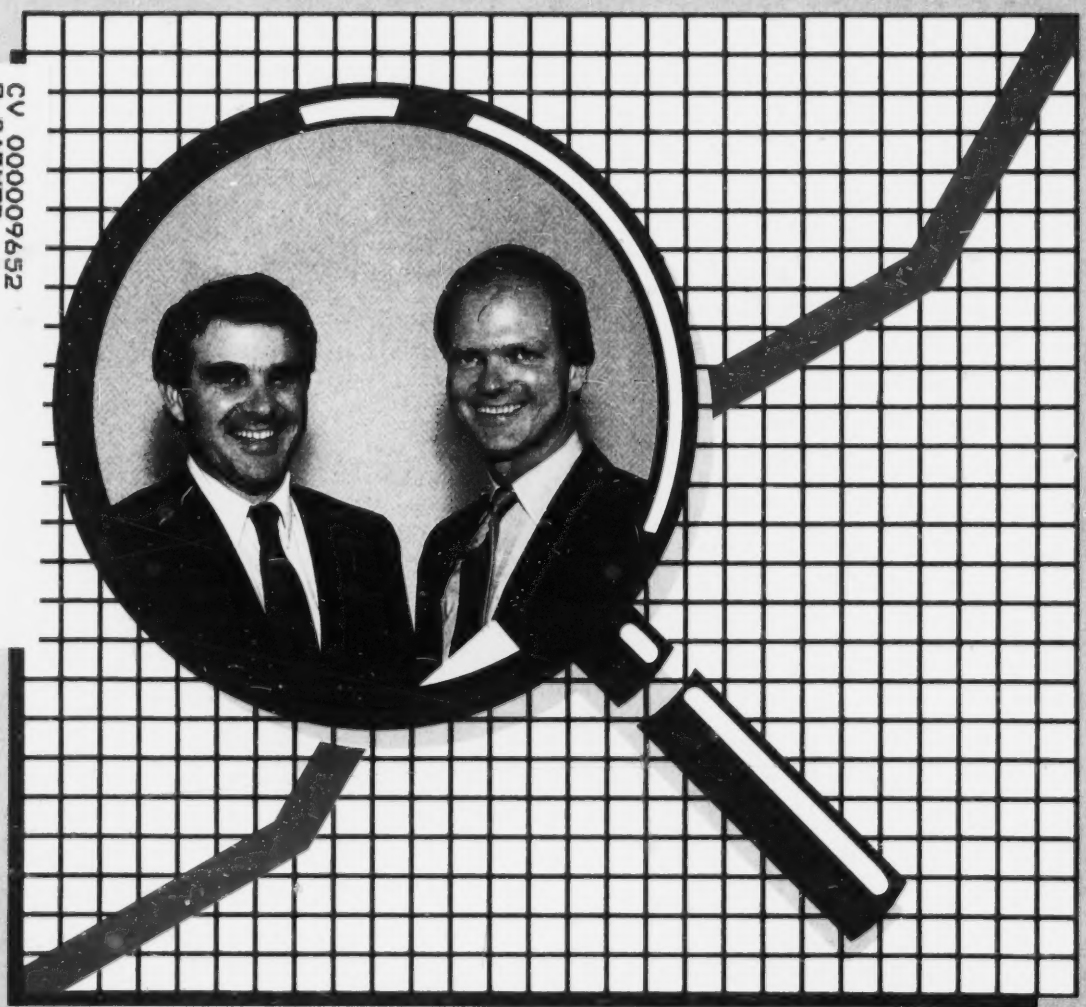
- CCI's industry image campaign draws warm reviews
- Did Turner want to merge marketing with MTV Nets?
- Why H.R. 4103 could go before Congress unchanged
- A&E 20-hour feed moves to Satcom IIIR in January

CableVision™

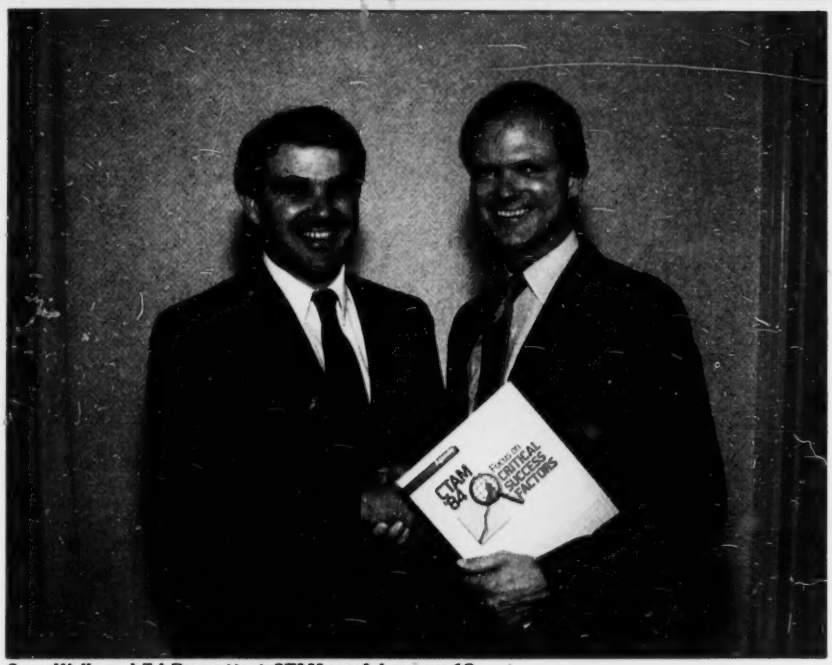
The news and features weekly of the cable television industry

August 27, 1984

CTAM '84 focuses on success



CV 000009652
S GARNER
CONGRESSIONAL INFO SERVICE
4520 EAST-WEST HIGHWAY
BETHESDA MD 20814



Gary Weik and Ed Bennett at CTAM confab, page 18.

Leading the week 13-20

CTAM success

The 10th annual Cable Television Administration and Marketing Society convention converged on New York City last week, with 1,200 attendees focusing on the industry's "critical success factors"—and coming away with some practical knowledge.

Music video mayhem

American Television and Communications Inc., the nation's second-largest MSO and a Time Inc. property, is leaning heavily toward Ted Turner's proposed video music channel as a potential switchout for MTV—which its officials deem to be violent and suggestive. Meanwhile, *CableVision* has learned that MTV Networks Inc. and Turner Broadcasting talked about merging their marketing efforts—to no apparent avail—shortly before the Turner music video talk began.

4103 unchanged?

H.R. 4103 could go before the full Congress in its present form, without changes desired by the cable industry. Senior Correspondent Paul McCloskey tells why.

Second quarter results

Jones Intercable saw its net income from operations nearly double in fiscal 1984, while Tele-Communications Inc. reported a dramatic drop in its net income for the year's second quarter. Meanwhile, Comcast piled up record results for the second quarter and first half of the year.

Showtime rate jump?

Showtime officials are leaning toward instituting a 6 percent increase in rates for the service which would take effect next March. If they move forward with the plan, it will be the first rate increase for the pay service since March 1982.

CCI's new TV campaign, page 13.

Sections

Programming 26

Pay cable audio services will have to be more than "music minus the advertising messages" to make an industry impact, according to a Waters Information Services seminar on the subject at the CTAM convention in New York. Also, Robert DiMatteo reveals some of his favorite candidates for local ACE Awards.

Marketing/Advertising 28

CableVision correspondents' coverage of CTAM '84 includes articles on the various conference sessions concerning such aspects of marketing as subscriber sales, customer service, and retention strategies.

Business 39

MTV Networks successfully sold out its initial public offering earlier this month. However, both the timing and the pricing of the offering were affected by the news that Ted Turner may start a competing music video service.

Government & Law 42

City groups maintain that recently passed House legislation will significantly reduce incentives for cable companies seeking to block city franchising decisions on antitrust grounds. The bill, which passed overwhelmingly, removes all damage liability from cities in successful antitrust disputes, leaving cable companies the option of seeking only injunctive relief.

About the cover

CTAM President-elect for 1985 Gary Weik and 1984 President Ed Bennett focus on the success of the organization's recent convention.

Departments

Between the Lines 11
The Readers' Channel 11
In the News 22
Cablescope 25
Stock Market 40
Technology 43
Events 44
People 45
Classifieds 46
Advertisers' Index 49
Regional Report 50
Cable Stats 54
Parting Words 58

Cable Industry Growth Chart

YEAR	TVHH	Homes Passed	Basic Subscribers	% of TVHH	Pay Subscribers	% of TVHH
1990E	93,900,000	81,783,000	50,706,000	54	32,959,000	35
1989E	92,800,000	79,109,000	48,256,000	52	30,883,000	33
1988E	91,000,000	75,833,000	45,500,000	50	28,665,000	32
1987E	89,300,000	71,137,000	41,971,000	47	26,022,000	30
1986E	87,800,000	68,121,000	39,510,000	45	24,101,000	27
1985E	86,000,000	64,500,000	36,120,000	42	21,672,000	25
1984E	84,600,000	59,989,000	32,994,000	39	19,764,000	23
1983	83,500,000	53,641,000	30,300,000	36	17,877,000	21
1982	82,800,000	49,100,000	28,200,000	34	15,898,000	19
1981	80,700,000	44,000,000	22,596,000	28	11,804,000	15
1980	77,800,000	37,300,000	18,672,000	24	7,780,000	10
1979	76,300,000	32,700,000	16,023,000	21	5,341,000	7
1978	74,500,000	27,200,000	14,155,000	19	2,980,000	4
1977	73,300,000	24,894,000	13,194,000	18	1,466,000	2
1976	71,114,000	21,989,000	12,094,000	17	505,000	1
1975	69,600,000	19,900,000	11,136,000	16	N/A	N/A

Source: CableProFile Data Base, INTERNATIONAL COMMUNICATIONS RESEARCH

Cable barometer

Television households (TVHH) .. 83,775,000

Homes passed by cable (HP) 54,500,000

Percent of TVHH passed by cable 65.1%

Basic cable subs. 30,700,000

Percent of TVHH with basic cable .. 36.7%

Percent of HP with basic cable .. 56.3%

Pay cable subs 18,300,000

Percent of TVHH with pay cable 21.8%

Percent of HP with pay cable 33.6%

Percent of basic subs with pay cable 59.6%

Figures are as of March 30, 1984
Source: CableProFile Data Base, INTERNATIONAL COMMUNICATIONS RESEARCH

Franchising calendar

This chart examines the franchise status of communities since July 1984.

Arizona
Apache Junction—award to Dowden Communications 4/5/84 (6,837 homes).
Gilbert—award to Masada Corp. 8/14/84 (3,000 homes).

California
Avalon—award to Catalina Cable TV 4/3/84 (1,500 homes).
Chino—negotiating with Buena Vision (12,000 homes).
Claremont—preliminary award to Group W 7/26/84 (9,800 homes).
Commerce—proposals from Buena Vision and Falcon Communications (3,000 homes).
Costa Mesa—award to Copley-Colony Cablevision 3/5/84 (32,637 homes).
Duarte—lease agreement reached with KTS Corp. for operation of city-owned system 8/15/84 (7,100 homes).
East San Fernando Valley—award to United Cable 9/16/83. (166,000 homes).
East Yolo—proposals from Cablevision, Sonics, Yolo Communications and FederalCommunications Inc. (10,000 homes).
La Puenta—negotiating with United Cable (8,600 homes).
Lomita—award to Colony Communications 9/6/83 (8,137 homes).
Los Altos—negotiating wih United Cable TV. (9,000 homes).
Los Angeles—award to Community Cable Entertainment Services System 9/16/83 (180,000 homes).
Norco—award to Falcon Cable of Riverside 9/21/83 (6,300 homes).
Palo Alto—negotiating with Cable Communications Co-op and City Cable Partners (22,000 homes).
Pico Rivera—award to Rogers California Cable System 4/2/84 (15,500 homes).
Placentia—award to Group W 2/7/84 (1,200 homes).
Sacramento—award to Cablevision Systems 11/22/83 (360,000 homes).
San Gabriel—award to Falcon Communications 3/20/84 (11,600 homes).
South Monrovia—proposals received from Falcon Communications and Acton Corp. (5,400 homes).
Sunnyvale—refranchising award to Sunnyvale Cable TV 2/14/84 (43,000 homes).
West Covina—award to Falcon Communications (28,000 homes).
Yorba Linda—deadline extended for statements of interest (12,000 homes).

Colorado
Larimer County—award to Cable Systems 8/22/83 (1,500 homes).
Loveland—award to Scripps Howard 9/26/83 (1,000 homes).

Delaware
Wilmington—accepting proposals from cable consultants to review current system (140,000 homes).

District of Columbia
award to District Cablevision 7/10/84 (254,000 homes).

Florida
Fellsmere—award to Sci Ad 3/29/84 (1,500 homes).
Tierre Verde—award to Centel 8/9/83 (2,000 homes).

Illinois
Chicago—final awards granted to four of five areas. Area I proposals under review (300,000 homes). Area II award to Group W (217,000 homes). Area III award to Group W (193,000 homes). Area IV to Chicago Cable Communications (TCI/Cross Country joint venture) (6,000 homes). Area V to Continental Cablevision (188,000 homes).
Countryside—award to Cablevision of Chicago 6/13/84 (2,200 homes).
Elmwood Park—proposals from Multimedia, Continental and Metrovision Inc. (9,500 homes).
Harwood Heights—award to MetroVision 10/11/83 (2,000 homes).
Naperville—proposals from Joyce Cable and Rite Cable (17,500 homes).
St. Charles, Geneva—award to Centel 2/21/84 (10,000 homes).
Villa Park—award to Multimedia 3/19/84 (7,100 homes).
Wheaton—award to Centel 7/2/84 (16,000 homes).
Winnetka—decision to have cable has been postponed (13,000 homes).
Woodbridge—negotiating with Multimedia (260 homes).

Iowa
Clearfield—award to Afton Cablevision 9/20/83 (150 homes).
Diognol—award to Afton Cablevision 8/30/83 (200 homes).
Morning Sun—award to Liberty Communications (450 homes).
Murray—award to Afton Cablevision 8/30/83 (280 homes).

Kentucky
Calloway County—award to Bluegrass 5/8/84.
Danville—award to RV Cablevision 1/13/84 (12,800).
Fulton—negotiating with TCI (2,400 homes).
Greenville, Central City and Muhlenburg County—award to TCI 1/84 (13,000 homes).
Loretto—no response to RFP.
Mayfield—franchise renewal granted to ATC 9/83 (4,500 homes).

Maine
Harpswell—award to Video Vision 8/18/83 (2,800 homes).
Hermon—award to Maine Cable Co. 8/17/83 (1,062 homes).

Maryland
Baltimore—negotiating with United Cable (302,000 homes).
Carroll County—award to Prestige Cable 10/14/83 (30,000 homes).
Easton—City Council approved municipal ownership 6/83; construction to start by 11/83 (3,600 homes).

Massachusetts
Belchertown—no response to RFP.
Belmont—General Court approved municipal ownership (2,760 homes).
Berkley, Dighton, Freetown—preliminary award to Continental Cablevision.
Boxborough—proposals submitted by Nashoba Communications and Adams-Russell (3,100 homes).
Boylston—award to Boylston Municipal Light Co. 1/9/84 (1,200 homes).
Cambridge—RFP issued (43,000 homes).
Concord—award to Nashoba Communications (5,180 homes).
Dedham—award to Bay Cable TV 11/17/84 (8,000 homes).
East Bridgewater—RFP reissued; deadline 7/16/84 (2,500 homes).
Easton—award to Continental Cablevision 1/9/84.
Groton—proposals submitted by Nashaba Cable, Northeast Cable TV and United Cable (2,000 homes).
Hamilton and Wenham—award to Continental Cable 3/5/84 (2,300 homes).
Holden—award to Greater Worcester Cablevision 3/5/84 (4,000 homes).
Holliston—award to Massachusetts Cablevision Systems Inc. 7/84 (3,922 homes).
Lincoln—proposals received from Adams-Russell, New Communications Corp. and Telecommunications Inc. (1,700 homes).
Marblehead—restarting franchising process.
Medfield—reviewing proposal from Massachusetts Cablevision Systems Inc. (3,400).
Mendon—proposals from United Cablevision and Massachusetts Cablevision Systems Inc. (1,200 homes).
Middleborough—award to Continental Cablevision 5/14/84 (3,834 homes).
Nahant—only proposal from Warner Amex (1,433 homes).
Norfolk—award to Massachusetts Cable 4/2/84 (1,890 homes).
Pembroke—award to Campbell Communications 10/83 (3,500 homes).
Pepperall—award to United Cablevision of Connecticut 10/11/83 (2,800 homes).
Plympton—award to Campbell Communications 2/13/84 (650 homes).
Sandwich—only proposal received from Campbell Communications (5,000 homes).
Seekonk—preliminary award to Massachusetts Cablevision (6,000 homes).

BEST AVAILABLE COPY

CABLE STATS

Shirley—proposals submitted by United CableVision and Nashoba Communications (1,827 homes).
Southborough—preliminary award to Greater Worcester Cablevision.
Sterling—proposals received from Wachusett Cablevision and Sterling Electric Light Co. (2,000 homes).
Stow—only proposal received from Adams-Russell (1,600 homes).
Townsend—award to Nashoba Communications 11/83 (2,306 homes).
Upton—award to Worster Cablevision Inc. 4/9/84 (1,600 homes).
Walpole—award to Massachusetts Cablevision 10/83 (5,676 homes).
Wayland—award to Continental Cablevision 6/4/84 (3,500 homes).
West Bridgewater—award to Continental Cablevision 11/7/83 (2,000 homes).
Westminster—preliminary award to Adams-Russell 12/83 (1,000 homes).
Weston—award to Continental Cable Cooperative 8/6/84 (3,000 homes).
Westport—preliminary award to United Cablevision Funding 9/4/84 (5,500 homes).

Michigan

Bloomfield Township, Bloomfield Hills—award to Booth Communications 9/12/83 (15,000 homes).
Detroit—award to Barden (471,000 homes).
Homer Township—starting franchise process (800 homes).
Jerome Township—award to Whitney Cablevision.
Lake Orion—negotiating with Tribune United (7,800 homes).
Monroe—City Council awarded franchise to Communication and CableVision Inc. to compete with existing franchised cable system, Monroe Cablevision.
West Broomfield, Keego Harbor, Orchard Lake, Sylva Lake—award to Continental Cablevision 5/21/84 (16,437 homes).
West Oakland County—award to Greater Media 11/23/83 (32,581 homes).
Westland—award to Continental Cablevision 2/84 (29,000 homes).

Minnesota

Afton, Cottage Grove, St. Paul Park, Denmark, Grey Cloud, Newport, Woodbury (South Washington County Cable Commission)—award to Telephone and Data Systems 1/13/84 (12,664 homes).
Albertville, St. Michael—award to Carlos Padraja 10/83 (637 homes).
Arlington, Gaylord, Winthrop, Gibbon, Green Isle—award to Dowden Communications 9/9/83 (2,568 homes).
Atwater—award to Armco Communications 8/83 (463 homes).
Belle Plaine, Le Center, Le Sueur, Lonsdale, Montgomery, New Prague—award to Dow-Sat Inc. 8/20/84 (5,227 homes).
Big Lake, Buffalo, Cokato, Dassel, Delano, Elk River, Monticello, Rockford, Watertown, Maple Lake—negotiating with Rite Cable 7/18/84 (10,200 homes).
Blaine, Centerville, Circle Pines, Coon Rapids, Lexington, Ham Lake, Spring Lake (North Central Suburban Cable Communications Commission)—award to Group W 9/9/83 (27,191 homes).
Brooten—award to Armco Communications 8/83 (297 homes).
Chanhassen, Carver County and Hennepin County—award to Dowden Communications 1/5/84.
Clarkfield—award to DeSutter Cablevision 10/83 (475 homes).
Deer River—award to Deer River Tel. Co. 9/83 (373 homes).
Dodge Center—award to Dowden Communications 9/9/83 (700 homes).
Eagle Bend—award to Parker's Prairie Tel. Co. 9/83 (517 homes).
Foley—award to Westel Communications 10/83 (575 homes).
Forest Lake, Forest Lake Township, Columbus Township, Scandia Township—award to Citation Cable 11/83 (5,619 homes).
Grand Marais—award to Cable-Tron 9/9/83.
Grove City—award to Armco Communications 8/83 (248 homes).
Hendrum—award to Ada Cable 8/83 (147 homes).
Heron Lake—award to B&R Electronics 10/83 (313 homes).
Lewiston—award to TeleCommunications 10/83 (475 homes).
Maple Plain—award to Dow-Sat Inc. 7/24/84 (500 homes).
Menahga—award to West Central Tel. Co. 8/83 (457 homes).
Minneapolis—Storer in north sold to Rogers in south 8/83 (170,000 homes).
Minnetrista, Spring Park, Shorewood, Medina, St. Bonifacius, Excelsior, Deephaven, Woodland, Victoria, Tonka Bay, Orono, Minnetonka Beach, Greenwood, Long Lake (Lake Minnetonka Cable Communications Commission)—award to Dowden Communications 12/19/83 (11,682 homes).
New Richland—award to Westel Communications 10/83 (503 homes).
Northfield, Northfield Twp., Dundas, Bridgewater Twp., Rice County, Waterford Twp., Dakota County—award to Nor-Com Video 12/9/83 (8,416 homes).
Oakport Township—award to Spectrum Communications 10/83 (200 homes).
Oklee—award to Garden Valley Tel. Co. 10/83 (242 homes).
Parker's Prairie—award to Mid-West Tel. Co. 10/83 (400 homes).
Savage—drafting RFP (272 homes).
Stillwater, Bayport, Oak Park Heights (Central St. Croix Valley area)—award to Telephone and Data Systems 8/12/83 (6,000 homes).
Trimont—award to Terril Tel. Co. 10/83 (351 homes).
Wabasso—award to Star Gazers 10/83 (301 homes).
Waconia—proposals from Rite Cable Co., Dow-Sat Inc., Valley View Westel (1,024 homes).
Wayzata—award to Dowden Communications (1,800 homes).
West St. Paul, South St. Paul, Mendota Heights, Mendota, Inner Grove Heights, Lilydale, Sinfish Lake—preliminary award to Continental Cablevision 6/6/84 (24,032 homes).
Windom—plan municipal ownership (1,600 homes).

Missouri

St. Louis—award to STL Cablevision Partners Inc. (75% of city) and St. Louis City Communications (25% of city) 4/11/84 (178,000 homes).

Nebraska

Bancroft—award to Midlands 12/5/83 (350 homes).

New Hampshire

Hampstead—final award to Rockingham Cablevision (1,500 homes).
Manchester—no proposals submitted by deadline.
Newton—negotiating with Harron Communications (1,124 homes).
Pelham—award to Harron Communications 3/27/84 (2,500 homes).
Sandown—proposals received from Harron Co. and Continental (800 homes).
Wolfeboro—award to Lakes Cablevision Corp. 1/18/84 (833 homes).

New Jersey

Jersey City—administrative hearing to be held 9/84 regarding franchise process.
Patterson—plan municipal ownership; RFP issued for operation (55,000 homes).

New York

Beekman—award to Dutchess County Cablevision Assoc. 3/13/84 (2,100 homes).
Mayville—award to U.S. Cable 9/26/83 (5,430 homes).
Mt. Upton—NewChannels denied award; future uncertain.
New York City—final awards for outer boroughs 6/30/83: Warner Amex—Western Brooklyn, Northern Queens, Cablevision Systems—Eastern Brooklyn, Bronx; Cox Cable and Vision Cable—Staten Island; ATC—areas of Queens; Queens Inner Unity Cable—Southern Queens.
North Salem—proposal from Community Cable Services (1,100 homes).
Portland—negotiating with Tribune Cable (150 homes).
Tully—award to NewChannels 8/29/83.
Union Vale—award to Consolidated Communications Corp. 3/7/84 (775 homes).

North Carolina

Camden County—award to Cable East 5/7/84.
Jackson—negotiating with Cable South Inc. (400 homes).
Pamlico County—award to Kounty Kablevision 10/17/83 (4,000 homes).

Ohio

Avon—award to Space Cable of Ohio 4/23/84 (2,000 homes).
Batavia Township—award to So-Comm 9/20/83 (4,000 homes).
Bethel—award to Cable Management Group 9/19/83 (1,200 homes).
Brooklyn—municipal ownership under consideration (4,000 homes).
Cleveland—city still deliberating municipal versus private ownership.
Garfield Heights—award to Space Cable 9/23/83 (12,000 homes).
Lordstown—suspended deliberation of municiple versus private ownership 8/84.
Oberlin—preliminary award to Oberlin Cable Co-op (2,600 homes).
Quincy—final award granted to Cable Management Group 8/83 (250 homes).
Russell—award to Cablevision of Geauga 9/14/83 (1,500 homes).

Oregon

Amity—award to Eagle Cable Systems Inc. 1/9/84 (400 homes).
Cottage Grove—award to McCaw Communications (2,500 homes).
Dunthorpe—TCI withdrew proposal 6/20/84; reissued RFP (507 homes).
Sylvan—TCI withdrew proposal 6/20/84; reissued RFP.

Pennsylvania

Franklin Township—award to Scatcom Cable 11/83 (800 homes).
Philadelphia—city is divided into four areas. Area I — proposals from Greate Philadelphia Cablevision and Independent Cable of Philadelphia. Area II — proposals from Philadelphia Inner City Cable System and Wade Communications. Area III — proposals from Cablevision of Philadelphia and Rollins. Area IV — proposals from Cablevision of Philadelphia, Comcast Cablevision of Philadelphia and Rollins (each area 155,000 homes).

Rhode Island

Battle Ground—negotiating with Cox Cable (1,000 homes).
Newport (Middletown, Portsmouth, Tiverton, Little Compton)—reviewing proposals (29,500 homes).

Texas

Azle—award to Teltran 4/3/84 (2,200 homes).
Plano—award to TeleCable 8/83 (30,000 homes).

Virginia

Berryville, Clarke County—award to Berryville TV Cable Co. 4/17/84 (600 homes).
Dinwiddie County—award to Crater General Communicatons 11/2/83.
Manassas—considering municipal ownership of cable (5,510 homes).
Suffolk—award to Suffolk Cable Communications 2/1/84 (16,697 homes).

Washington

Granger, Toppenish, Wapato, Zilah—award to McCaw Communications 9/83 (5,300 homes).

Wisconsin

Hayward—no bids submitted (1,000 homes).
Hudson—award to Telephone and Data Systems 11/21/83.
Hustisford—award to Cable Communications Corp. 12/5/83 (350 homes).
Johnson Creek—award to Telenational of Milwaukee 9/83 (400 homes).
New Glarus—negotiating with Teledata Systems (675 homes).
Waterford—negotiating with Total TV (600 homes).

Wyoming

Gillette—franchise renewal granted to Televents 4/18/84 (7,500 homes).

Source: Titsch Communications Inc.

Franchising in the top 50 markets

Rank	Market	Status of core city
1	New York	Manhattan—2-OP; outer boroughs 8-FG
2	Los Angeles	City is divided into 14 areas (A-n): 10-OP, 2-UC, 2-FG
3	Chicago	City is divided into five areas: Area I FP Areas II, III, IV, V FG
4	Philadelphia	City is divided into N, S, E, W-FP; additional area in S-OP
5	San Francisco	OP (system to be upgraded)
6	Boston	OP
7	Detroit	FG
8	Washington, D.C.	FG
9	Cleveland	BP
10	Dallas/Ft. Worth	Two systems-OP
11	Houston	Two systems-OP
12	Pittsburgh	OP
13	Miami	OP
14	Seattle/Tacoma	City is divided into five parts (4-OP), (1-BP); Tacoma-OP
15	Minneapolis/St. Paul	OP/FG
16	Atlanta	OP
17	St. Louis	FG
18	Tampa/St. Petersburg	UC/OP
19	Denver	OP
20	Baltimore	FP
21	Sacramento/Stockton	FG/OP
22	Indianapolis	Two systems-OP
23	Portland	Three systems-OP
24	Phoenix	Three systems-OP
25	Hartford/New Haven	Two systems-OP
26	Cincinnati	OP
27	San Diego	Two systems-OP
28	Kansas City	OP
29	Milwaukee	UC
30	Nashville	OP
31	Charlotte	OP
32	Buffalo	OP
33	Providence/New Bedford	OP/OP
34	Orlando/Daytona Beach	Two systems-OP
35	New Orleans	OP
36	Memphis	OP
37	Columbus	Four systems-OP
38	Greenville/Asheville/Spartansburg	Three systems-OP
39	Grand Rapids/Kalamazoo/Battle Creek	Three systems-OP
40	Birmingham	OP
41	Raleigh/Durham	Two systems-OP
42	Oklahoma City	Two systems-OP
43	Louisville	Two systems-OP
44	Salt Lake City	OP
45	San Antonio	OP
46	Charleston/Huntington	Two systems-OP
47	Norfolk/Newport News/New Hampton/Portsmouth	Four systems-OP
48	Harrisburg/York/Lebanon/Lancaster	Four systems-OP
49	Wilkes Barre/Scranton	Two systems-OP
50	Albany/Schenectady/Troy	Three systems-OP

Legend

OP—operational
UC—under construction
FG—preliminary franchise award
FP—franchise pending
RP—request for proposal issued
BP—beginning process

Source: Titsch Communications Inc.

BEST AVAILABLE COPY